

DEPARTMENT OF SOCIAL SERVICES

44 P Street, Sacramento, CA 95814



September 23, 1983

ALL-COUNTY LETTER NO. 83-99

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IN-HOME SUPPORTIVE SERVICES (IHSS) PROVIDER WAGE AND BENEFIT INCREASE

The purpose of this letter is to clarify policy regarding wage and benefit increases provided for in the 1983 Budget Act for the 1983/84 In-Home Supportive Services (IHSS) Program. This letter also provides instructions on how these Budget Act provisions must be applied.

The Budget Act appropriated \$7,454,600 from the State General Fund to support a wage and benefit increase for IHSS. When combined with county matching funds, a total \$8,282,889 is available statewide to provide a three percent increase in wages and benefits for IHSS providers.

These funds are restricted as follows:

1. Funds can be expended only for provider wage and benefit increases.
2. Wage and benefit increases cannot exceed three percent for any given provider.

This three percent maximum increase in wages and benefits (e.g., vacation, sick leave, health insurance) to providers is discretionary with the county. Any increase in work schedules, merit salary adjustments, increased mileage allowances, or employment taxes are not considered increases in wages and benefits.

Each county must determine if they wish to grant a wage and benefit increase to IHSS providers within the county. For counties who do not grant the increase or grant less than the three percent authorized, the Department will reduce their allocation (reference All-County Letter No. 83-82, Col. 5) accordingly. These reductions will be made in conjunction with the review of the required IHSS county plan updates in February 1984.

Implementation of the increase will vary by service delivery mode:

County Welfare Staff Mode - Counties may utilize the normal county mechanism for granting employee wage and benefit increases. Counties granting provider wage and benefit increases in excess of three percent must fund such excess out of county only funds. For purposes of this increase, first line provider supervisors shall be considered providers.

Contract Mode - FY 1983/84 contract provider increases in excess of three percent are not fundable with these funds. This applies to contracts resulting from both bid and renegotiation. All contracts with an effective date subsequent to June 30, 1983 may allow an increase for contract agency providers of IHSS of up to three percent. Any wage and benefit increases in excess of three percent must be made with county only funding. Contract increases such as those cited in Welfare and Institutions Code Section 12302.1, other than provider wage and benefit increases, are fundable only through the basic IHSS allocation.

Individual Provider Mode - For payrolling purposes, if a county wishes to grant a wage and benefit increase, then a Recipient and Provider Eligibility Update form (SOC 311) must be completed and submitted. If a county wishes to make the increase retroactive to July 1, 1983, then a Special Preauthorized Transaction Document (SOC 312) must be used. This will initiate an emergency/supplemental transaction for the wage differential. (See IHSS Payrolling User Manual, page 144 for instructions.) An automatic process to accommodate the provider increase is currently being developed in conjunction with the payroll-ing contractor. Counties granting the increase and desiring to pursue this method of implementation should contact the IHSS Systems Management Unit.

Questions regarding the provider wage and benefit increase policy should be directed to the Adult Services Program Control Bureau at (916) 322-6320. Questions relating specifically to implementing the increase for individual providers should be directed to the IHSS Systems Management Consultants at (916) 323-0270. Contract amendment questions should be addressed to the Contracts Bureau at (916) 323-0223.



LOREN D. BUTLER
Deputy Director
Adult and Family Services Division

cc: CWDA